Harry Kim
Mayor



Wil Okabe
Managing Director

Barbara J. KossowDeputy Managing Director

County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553 KONA: 74-5044 Ane Keohokālole Hwy., Bldg C • Kailua-Kona, Hawai'i 96740 (808) 323-4444 • Fax (808) 323-4440

March 19, 2019

Senator Donna Mercado Kim, Chair Senator Michelle N. Kidani, Vice Chair Committee on Higher Education

Dear Chair Kim, Vice Chair Kidani, and Committee Members:

RE: SCR 77/SR 54 Encouraging the Legislature to Fund the Hawai'i Rural Health Care Provider Loan Repayment Program

It seems a bit unusual to have a legislative resolution encouraging the Legislature to take an action, but I certainly support the idea behind SCR 77 and SR 54.

The shortage of health care providers in Hawai'i has been well documented, by all accounts is getting worse, and is of major concern. It appears that a program of loan repayment is currently in operation and is working to attract providers to federally designated health professional shortage areas, and to geographic areas of Hawai'i found to be underserved.

Two bills which would have funded the program, SB 1404 and HB 902, both died in the House. Unless there is a flaw in the program of which I am unaware, I hope that your Committee will recognize the importance of this issue and see the value of the repayment program. Passing SCR 77 and SR 54 would be a positive step, although I would also hope that you consider incorporating such funding in your priority list of add-ons for the State budget.

Respectfully Submitted,

Harry Kim

Testimony Presented Before the Senate Committee on Higher Education Thursday, March 21, 2019 at 3:00 p.m.

Βv

Jerris R. Hedges, MD,

Dean, John A. Burns School of Medicine

Kelley Withy, MD, Professor, Department of Complementary and Integrative Medicine Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director John A. Burns School of Medicine

And

Dr. Michael Bruno

Interim Vice Chancellor for Academic Affairs and Vice Chancellor for Research University of Hawai'i at Mānoa

SCR 77/SR 54 – ENCOURAGING THE LEGISLATURE TO FUND THE HAWAII RURAL HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM

Chair Kim, Vice Chair Kidani and members of the committee:

Thank you for this opportunity to testify in **support** of SCR 77/SR 54 which would encourage the legislature to fund the Hawai'i Rural Health Care Provider Loan Repayment Program. We appreciate the legislature's support in providing an additional source of funding for loan repayment through SCR 77/SR 54 to the extent that funding for the John A. Burns School of Medicine's (JABSOM) <u>Hawai'i State Loan Repayment Program</u> will not be supplanted.

JABSOM has successfully administered the Hawai'i State Loan Repayment Program since 2012. This program is a federal grant designed to pay off educational loans for primary care and behavioral health providers who care for patients at non-profit organizations for a period of at least two (2) years in designated health professional shortage areas of Hawai'i. It is designed to incentivize care in the areas where it is most needed. The Hawai'i State Loan Repayment program has helped 43 health care providers since its inception in 2012. Currently, the Program supports 20 providers in Hawai'i. Of the program graduates, almost 2/3 are still practicing in underserved areas of Hawai'i.

State matching funds are needed in order to draw the full amount of the federal grant for the Hawai'i State Loan Repayment program. SB 1404 SD2 which is currently making its way through the legislative process has been introduced for this purpose.

Hawai'i has a shortage of just under 800 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawai'i do not have access to the healthcare they need. The shortage is

most acute for those on neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is through loan repayment.

If a physician does his or her medical school and residency (or Graduate Medical Education or GME) training here in Hawai'i, about 80% of them stay in Hawai'i to practice. Having loan repayment options tied to commitments to serve in neighbor island, rural and underserved populations will help to reduce the physician shortages in those areas. The Hawai'i State Loan Repayment program has played an important role in bringing needed physicians and healthcare providers to underserved areas. Additional funding for loan repayment would be beneficial in making more funds available to healthcare professionals to work in areas where the need is greatest.

Thank you for this opportunity to testify.